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**CURRENT INTELLIGENCE DIGEST**

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**CENTRAL INTELLIGENCE AGENCY**

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SOVIET UNION

1. Former Communists comment on coming party congress: Several former French and German Communists, who held important positions in the Comintern prior to their break with Moscow, agree that the forthcoming party congress in the Soviet Union is being called to strengthen the Central Committee so that Stalin may more easily designate his successor, and to promote new Communist functionaries who have been schooled since the last congress. More important than this, they consider, is the necessity of settling doctrinal problems arising from the Soviet Union's new world position, especially matters arising from Titoism, alterations in Stalinist theories caused by the ideology and success of Mao Tse-tung, and relations with the Satellite states and Eastern Europe. 25X1

Comment: It is unlikely that doctrinal problems or alterations in Stalinist theory are today a major consideration in calling a party congress.

While it is probable that the potentially serious problem of Stalin's successor played a part in the decision to call a party congress at this time, it is through the proposed reorganization of the organs of the Central Committee rather than through a strengthening of the Committee itself that this problem will probably be attacked. It seems likely that two positions of importance will result from the reorganization, a chairman of the new Presidium and the general secretary of the Central Committee, and that a logical hierarchical succession from the secretariat to the chairmanship of the Presidium may be intended.

EASTERN EUROPE

2. British Government apparently expects major trouble in Albania: According to the British Assistant Military Attache

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in Belgrade, his government is highly interested in the Albanian situation and apparently expects major trouble. While the attache believes that active resistance to the Hoxha regime is increasing, he himself sees no indication of an imminent internal upheaval. [REDACTED]

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Comment: Yugoslav officials have informed the American Embassy that trouble could be expected shortly in Albania, and other reports indicate that conditions in Albania are unstable. There is no concrete evidence, however, of any widespread organized resistance.

3. Bulgarian Ministers of Agriculture and Foreign Trade replaced: According to a decree issued by the Bulgarian Presidium, Minister of Foreign Trade Dimitar Ganev and Minister of Agriculture Nikola Stoilov have been relieved of their posts in order to take other appointments. Zhivko Zhivkov has been appointed as the new Minister of Foreign Trade, and Stako Todorov has been named as the new Minister of Agriculture. [REDACTED]

Comment: The replacement of the Minister of Agriculture follows the publication on 20 August of a strongly-worded decree criticizing administrative irregularities and calling for stricter financial and accounting discipline on Bulgarian cooperative farms. The newly appointed minister may be a relatively unknown youth leader, Stanko Todorov, who has previously held office as an official in the Dimitrov Union of People's Youth.

The replacement of Dimitar Ganev, a candidate member of the Politburo, as Minister of Foreign Trade is surprising, particularly at a time when a much publicized international trade fair is in progress at Plovdiv. The new minister, Zhivko Zhivkov, is a former Assistant Minister of Foreign Affairs who more recently has been Secretary of the Communist Party Provincial Committee at Haskovo.

4. Hungarian party organ demands a more satisfactory party membership policy: The Hungarian Workers Party official newspaper recently demanded a more satisfactory policy for the admission of new members and criticized local organizations for accepting too few Stakhanovite workers, peasants and "technical intellectuals." The newspaper complained that

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while many party organizations "virtually stopped admitting new members" after the publication of a party directive last February that only highly qualified persons should be accepted, other local units had recommended poorly qualified persons, including some who had been previously expelled from the party. [REDACTED]

Comment: Party membership in February was stated to be nearing one million, which is about 10 percent of the country's population. In March the Politburo decreed the abolition of cadre sections in the local party units and placed recruitment in the hands of local secretaries. These moves indicate top leadership dissatisfaction with the "opportunistic" character of recruitment and probably show that a general screening of membership was in process during the spring. It appears that the leadership now is ready to enlist militant Communists, preferably of proletarian background. Certainly the convocation of all local party units at the end of August indicates stepped-up political work and possibly a purge on the lower and middle levels.

5. Hungarian Planning Office appointments omit name of former senior deputy director: Four top personnel changes in the Hungarian National Economic Planning Office were announced on 31 August. Former deputy director Ferenc Herczeg was promoted to chief deputy director over the head of senior deputy Gyorgy Osztrovsky. Three new deputies were also appointed.

The US Legation at Budapest believes that the position of the Planning Office chief, Zoltan Vas, is unaffected but that Osztrovsky may have been purged. [REDACTED]

Comment: A shake-up in the Hungarian Planning Office has been expected for some time, in view of the failure of Hungarian industry and mining to fulfill planned targets. Purges are believed to have occurred already in the Ministry of Mining and Power.

Senior Deputy Director Osztrovsky would be a logical choice for purging, because of production failures in the coal industry with which he has been closely identified. He has been reportedly in a precarious position since the defection of an associate, Gabor Hittrich, Director of the Light Metal Planning Office early this year. According to one report Osztrovsky knew of Hittrich's intention to defect.

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8. Chinese Communists announce progress toward farm collectivization: A Peiping broadcast states that two out of every five peasant households in China have been organized into mutual-aid teams or producer cooperatives. The number of permanent mutual-aid teams is said to have increased 20 percent in the past year and increasing numbers are transforming themselves into producer cooperatives, which the broadcast terms "a transition to collective farms."

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Comment: The emphasis now being given in Chinese Communist propaganda to farm cooperatives suggests that Peiping has decided to advance the timetable for full collectivization. The farm cooperatives, although recognizing the title of individual members to the land contributed, approach collectives in organizational structure.

9. [redacted] comments on Nationalist force in Burma:

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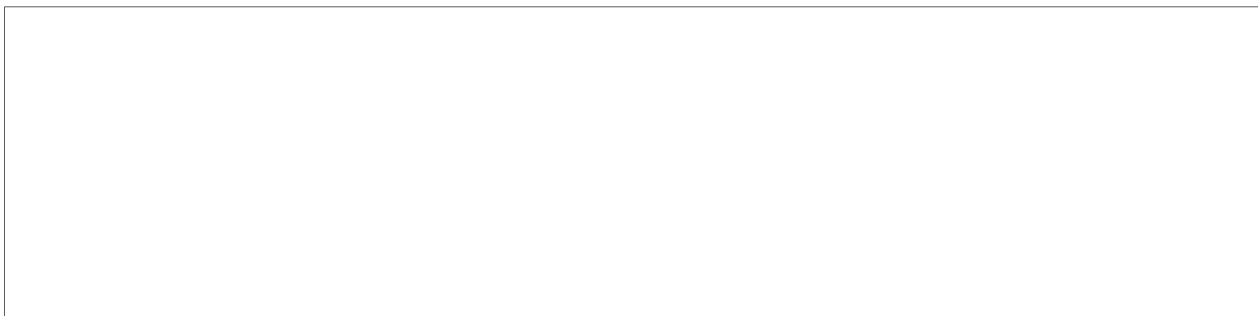
The American Embassy comments that the Nationalists in Burma are a continuing embarrassment to the Taipei regime, which is sincerely attempting to keep the situation under control, although the only feasible method would be a threat to withdraw its already small financial support.

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### SOUTHEAST ASIA

10. Serviceable transport observed on Viet Minh field: A French Air Force navigator has informed the American Consulate that about six weeks ago an apparently undamaged and airworthy C-47 transport was sighted by his crew at Vinh, one of the principal towns occupied by the Viet Minh on the coast south of the French Tonkin perimeter. Closer observation by French fighter planes established that the C-47 was not a downed French plane. [REDACTED]

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Comment: This is the first reliable report that the Viet Minh possesses an apparently airworthy plane. In the past, there have been reports of unidentified aircraft over Indochina, but no close observation has been possible.

### SOUTH ASIA

11. Pakistan denies Kashmir threatened by tribal invasion: On 2 September the American Military Attache in Karachi reported that during his inspection of key military posts in the tribal areas there was no indication of tribal movements directed against Indian-held Kashmir. His trip closely paralleled in time and locale that of Michael James, the New York Times correspondent who recently reported an impending tribal invasion of Kashmir from Pakistan.

On 3 September the attache discussed the James report with Pakistani Major General Latif Khan, who vigorously denied its truth and added that Pakistan would use force to prevent tribal incursions into Kashmir. [REDACTED]

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Comment: The James article in the New York Times on 29 August was immediately headlined by the Indian press as proof of Pakistan's aggressive intentions, and it even appeared in modified form in some leading Pakistani papers.

The Pakistani army is in full control of the area occupied by its forces and appears both willing and able to control any inflammatory tribal action.

NEAR EAST - AFRICA

12. Saudi Arabia may cancel American aid arrangements:

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Comment: Government officials in Jidda have recently expressed dissatisfaction with the amount of Point IV aid allotted to Saudi Arabia in comparison with grants to other Arab countries and to Israel. Rejection of American economic assistance by Saudi Arabia, where there is considerable pro-American sentiment, would be a setback to the technical aid program throughout the Arab Near East.

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